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## **An Act To Provide for Fairness and Accuracy in Utility Rate Setting**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 35-A MRS §9103, sub-§1**, as enacted by PL 1993, c. 638, §2, is amended to read:

**1. Alternative regulation; period; starting point.** ~~For the~~The period of the alternative form of regulation, which may not be less than 5 years nor exceed 10 years without affirmative reauthorization by the commission, ratepayers as a whole, and residential and small business ratepayers in particular, may not be required to pay more for local telephone services as a result of the implementation of an alternative form of regulation than they would under traditional rate-base or rate-of-return regulation. Prior to the adoption of a new or replacement alternative form of regulation or renewal of any existing alternative form of regulation, when the alternative form of regulation includes a provision prohibiting the commission or the utility from initiating a rate case for a set period of time, the commission shall, in order to ensure that rates at the starting point of the alternative form of regulation are just and reasonable, conduct a revenue requirement and earnings review pursuant to the standards of section 301. In conducting such a review under this subsection, the commission, at its discretion, may conduct the review in a manner designed to minimize the cost of the review.

**Sec. 2. Application.** In accordance with the Maine Revised Statutes, Title 1, section 302, this Act does not apply to any proceeding relating to an alternative form of regulation pending before the Public Utilities Commission on the effective date of this Act.

Effective June 30, 2008